



Commonwealth of Massachusetts

DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

Deval L. Patrick, Governor ♦ Timothy P. Murray, Lt. Governor ♦ Aaron Gornstein, Undersecretary

CDBG One-Year Action Plan *REVISED* FY 2013 Proposed Changes

The Department of Housing and Community Development (DHCD) is contemplating changes to several aspects of the MA CDBG program for FY 2013.

The following issues and the potential for program changes were previewed in the FY 2012 One Year Action Plan.

- Evaluation and calculation of Community-Wide Needs scores
- Determination of eligible Mini-Entitlement communities

After consideration of these and other issues, the Department is currently considering the following specific changes:

E. ALLOCATION OF CDBG FUNDS TO THE COMMONWEALTH

The federal Fiscal Year 2013 HUD allocation to the Commonwealth of Massachusetts is anticipated to be \$27,738,930. DHCD's funds are subject to availability from the federal government, which is contingent on the federal budget and appropriations process and the HUD allocation process. In addition to the HUD allocation DHCD expects to receive approximately \$200,000 in program income, for a total of \$27,938,930 available for FY 2013. These funds will be distributed during the program year to eligible cities and towns in accordance with the allocation among program components outlined in the following chart.

MA CDBG PROGRAM COMPONENT	FY 2013 ALLOCATION
Community Development Fund I	\$13,476,762
Community Development Fund II	\$ 2,700,000
Mini-Entitlement Program	\$ 8,550,000
Economic Development Fund (not including expected \$200,000 in program income)	\$ 1,000,000
-Section 108 Loan Guarantee*	\$ 10,000,000
Reserves	\$ 750,000
Section 108 Loan Repayments** (No. Adams, Everett)	\$ 330,000
Administration and Technical Assistance	\$ 932,168
TOTAL AVAILABLE (includes \$27,738,930 allocation plus \$200,000 in program income)	\$27,938,930
*Section 108 Loan Program allocation does not impact the FY 2013 Allocation **Section 108 Loan Repayments are budgeted but not necessarily required. This is an “up to” amount. Amounts not required for repayment to HUD will be reallocated to other components.	

F. AVAILABILITY OF CDBG PROGRAM FUNDS

A single community may receive no more than \$1.35 million from Community Development Fund I within two successive program years. Economic Development Fund and Reserves awards are not subject to the \$1.35 million cap per community.

Application Due Dates for CDBG FY 2013 Program:

Community Development Fund:	February 15, 2012
Mini-Entitlement Program:	February 15, 2012
Economic Development Fund:	Applications accepted on an ongoing basis

G. EVALUATION CRITERIA APPLICABLE TO ALL CDBG PROGRAMS

- resolve tie scores in a competitive fund by applying the criteria below in the following order:
 1. An application from the community or region with the higher Community-Wide Needs score will be funded;
 2. Applications for projects that increase the community's supply of affordable housing units;
 3. Regional applications;
 4. Applications for housing and/or economic development projects that are consistent with the goals of the Administration, in particular, applications for projects that are located in

communities with an as-of-right residential zoning district approved by DHCD, for example, 40R , 43D; and

5. If scores remain tied after the application of steps #1 through 4, DHCD will conduct a lottery at which a representative from HUD will be present.

J.	<i>CDBG PROGRAM COMPONENTS</i>
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Grant Award Amounts – For FY 2013 maximum grant amounts for available categories are listed below.

Category - CDF I/CDF II	Minimum Grant from Competitive Round:	Maximum Grant from Competitive Round:
Single Community	\$ 100,000	\$ 800,000/\$700,000
Single Community w/multiple targeted activities	\$ 100,000	\$ 900,000/\$800,000
Two or Three Communities (Regional)	\$ 100,000	\$ 1,000,000/\$900,000
Four or More Communities (Regional)	\$ 100,000	\$ 1,100,000/\$1,000,000
Planning- or Design-only grants	\$ 20,000	/////

3. MINI-ENTITLEMENT PROGRAM

DHCD expects to award up to \$8,100,000 from the FY 2013 Mini-Entitlement Program allocation to nine (9) designated Mini-Entitlement municipalities, listed below:

Chelsea	Southbridge
Everett	Wareham
Gardner	Webster
Greenfield	West Springfield
North Adams	

DHCD recalculation of Mini-Entitlement scores may eliminate communities previously qualified for designation. In such cases, communities designated as Mini-Entitlement for the previous federal fiscal year will receive transitional assistance for the following federal fiscal year. For FY 2013, DHCD intends to provide the Town of Amherst with up to \$450,000 in transitional, Mini-Entitlement funding.

Grant Award Amounts and Requirements

The maximum grant award is up to \$900,000. Mini-Entitlement applications will contain an 18-month implementation and cash flow plan. Mini-entitlement grantees must comply with standards for timely expenditure and available program income (see Applicant/Project Thresholds above). FY 2013 Mini-entitlement awards to Grantees that do not meet the required standards will be reduced by an amount necessary to bring the grantee into compliance.

EXHIBITS

EXHIBIT 2

MUNICIPAL ELIGIBILITY TO APPLY TO COMMUNITY DEVELOPMENT FUND (CDF) I AND II IN FY 2013

A single community may receive no more than \$1 million from any combination of federal FY 2013 Community Development Fund I or II, or Mini-Entitlement grant funds. Awards not subject to the \$1 million cap per community include the Economic Development Fund and Reserves.

Additionally, a single community may receive no more than \$1.35 million from Community Development Fund I within two successive years. Economic Development Fund and Reserves awards are not subject to the \$1.35 million cap per community.

As a result, FY 2013 award limits apply to the following FY 2012 grantees, in the following amounts:

Athol - \$452,311	Palmer - \$512,665
Buckland - \$663,680	Phillipston - \$835,796
Dennis - \$804,485	Provincetown - \$289,122
Fairhaven - \$480,667	Salisbury - \$500,000
Hardwick - \$575,630	Spencer - \$900,600
Harwich - \$901,309	Templeton - \$538,272
Montague - \$493,491	Tisbury - \$868,850
Oak Bluffs - \$840,141	Ware - \$557,615
Orange - \$650,000	Wellfleet - \$952,163

A Community Development Fund II community that receives an award from the Community Development Fund is precluded from applying to a Community Development Fund program for the following federal fiscal year, except that a community previously awarded funds solely for an architectural/engineering design or planning project may apply in the next federal fiscal year for funding to implement the project. However, the maximum grant award for implementation will be reduced by the amount of the previous design or planning grant.

DHCD has identified the following communities as ineligible applicants (except as noted) for Federal Fiscal Year 2013; each may apply again in the fiscal year noted in parentheses:

Abington (2014)	Hadley (2014)
Belchertown (2014)	Hubbardston (2014)
Deerfield (2014)	Milford (2014)
Gill (2014)	West Tisbury (2014)
Granby (2014)	Whitman (2014)

EXHIBIT 3

PROGRAM ELIGIBILITY AND COMMUNITY-WIDE NEEDS SCORES

The source data for the “Units built prior to 1940” factor of the Community-Wide Needs scores has been updated since the earlier release of FY 2013 scores.

The revised FY 2013 Community-Wide Needs scores are available at

<http://www.mass.gov/hed/community/funding/community-development-block-grant-cdbg.html>

DHCD will hold public hearings to receive comments on the proposed FY 2013 Action Plan prior to its submission to the US Department of Housing and Urban Development (HUD). Times and locations will be distributed in the coming months. Interested parties should feel free to submit comments, in writing or via email, directly to DHCD any time prior to, or at the scheduled hearings. Comments may be directed to: Mark Siegenthaler, Community Development Manager, DHCD, 100 Cambridge St, Suite 300, Boston, MA 02114 or mark.siegenthaler@state.ma.us.